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SUMMARY RECORD OF THE 66th MEETING

Chairman: Mr. ALOM (Bangladesh)
(Vice-Chairman)

Chairman of the Advisory Committee on Administrative and Budgetary Questions: Mr. MSELLE

CONTENTS

AGENDA ITEM 139: FINANCING OF THE INTERNATIONAL CRIMINAL TRIBUNAL FOR THE PROSECUTION OF PERSONS RESPONSIBLE FOR GENOCIDE AND OTHER SERIOUS VIOLATIONS OF INTERNATIONAL HUMANITARIAN LAW COMMITTED IN THE TERRITORY OF RWANDA AND RWANDAN CITIZENS RESPONSIBLE FOR GENOCIDE AND OTHER SUCH VIOLATIONS COMMITTED IN THE TERRITORY OF NEIGHBOURING STATES BETWEEN 1 JANUARY AND 31 DECEMBER 1994 (continued)

AGENDA ITEM 137: FINANCING OF THE INTERNATIONAL TRIBUNAL FOR THE PROSECUTION OF PERSONS RESPONSIBLE FOR SERIOUS VIOLATIONS OF INTERNATIONAL HUMANITARIAN LAW COMMITTED IN THE TERRITORY OF THE FORMER YUGOSLAVIA SINCE 1991 (continued)

AGENDA ITEM 112: REVIEW OF THE EFFICIENCY OF THE ADMINISTRATIVE AND FINANCIAL FUNCTIONING OF THE UNITED NATIONS (continued)

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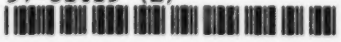

In the absence of Mr. Sengwe (Zimbabwe), Mr. Alom (Bangladesh), Vice-Chairman, took the Chair.

The meeting was called to order at 10.15 a.m.

AGENDA ITEM 139: FINANCING OF THE INTERNATIONAL CRIMINAL TRIBUNAL FOR THE PROSECUTION OF PERSONS RESPONSIBLE FOR GENOCIDE AND OTHER SERIOUS VIOLATIONS OF INTERNATIONAL HUMANITARIAN LAW COMMITTED IN THE TERRITORY OF RWANDA AND RWANDAN CITIZENS RESPONSIBLE FOR GENOCIDE AND OTHER SUCH VIOLATIONS COMMITTED IN THE TERRITORY OF NEIGHBOURING STATES BETWEEN 1 JANUARY AND 31 DECEMBER 1994 (continued) (A/51/789)

1. Mr. PASCHKE (Under-Secretary-General for Internal Oversight Services), introducing the report of the Secretary-General requested in General Assembly resolution 50/213 C, said that at the time the resolution had been adopted, the Oversight Office had already received several complaints concerning deficiencies and irregularities in the Tribunal and had sent a team of auditors and investigators to Kigali and Arusha to look into the matter.

2. The situation reflected in the report described the state of affairs in October and November 1996, and noted changes which had occurred since the draft report was issued to the senior officials most directly concerned in December 1996. Since then, some of the major problems had been addressed and remedial action had already been taken in a number of key areas.

3. While the investigation had not confirmed allegations of corrupt practices such as nepotism, racism and misuse of funds by managers, it had disclosed management errors and serious shortcomings in almost all areas of the Tribunal's work. The situation in Arusha and Kigali had been troubled from the inception of the Tribunal, especially with regard to short-term funding arrangements which limited its ability to recruit staff. In addition, the decision to have separate geographic locations for the Prosecutor's Office and the other organs of the Tribunal had impeded communications between the two locations and contributed to the strained relations between the Prosecutor's Office and the Registry.

4. The team of investigators and auditors had found evidence to support the view that the administrative support functions did not operate efficiently and, in some cases, they did not operate at all. Key administrators in the Registry and the Office of the Prosecutor had not discharged their responsibilities effectively. United Nations rules and regulations for procurement, personnel and financial functions had been disregarded; the finance operation had no accounting system and could not produce allotment reports, so that neither the Registry nor United Nations Headquarters had budget expenditure information; there was no property management system; personnel in key positions lacked the required qualifications; and, in Kigali, a lack of vehicles, computers and other office equipment and supplies had prevented the staff from conducting their work properly.

5. Many of the problems could have been avoided had the Organization's rules and regulations been adhered to and had standard management practices been

followed for instructing and communicating with staff members and others about the goals and timetables of the Tribunal.

6. Much of what had been accomplished by the Registrar had been done under difficult circumstances and without backup from staff at Headquarters. Officials at Headquarters did not believe that they had any authority over or responsibility for the actions of the Tribunal administrators. While it was generally acknowledged that the financial and personnel rules and the other administrative issuances of the United Nations applied to the Tribunal, the latter had not received the proper guidance and assistance in implementing and enforcing them.

7. The Oversight Office believed that the problem stemmed from a misperception or at least and overly strict interpretation of the Security Council's request that the Tribunal should be established as an independent body. Since the Tribunal operated with authority and funding provided by the United Nations it was subject to the rules, regulations and administrative oversight of the Organization. When the Organization had assumed the responsibility of establishing the Tribunal, it had also assumed the responsibility of ensuring that it was able to operate effectively, bearing in mind the purpose of the Tribunal which was to bring to justice those individuals responsible for genocide and other systematic, widespread and flagrant violations of international humanitarian law in Rwanda.

8. In February, the Secretary-General had called a meeting of high-level Tribunal and Secretariat officials to discuss the report and formulate measures to address the problems, and operations were reported to have improved. A second team of auditors and investigators had been scheduled to go to Arusha and Kigali to check on progress before the end of June, but because the new Tribunal officials had only recently taken up their posts, the visit had been postponed until September.

9. Mr. FARID (Saudi Arabia) said that the incomplete and unreliable financial records and reports kept by the International Criminal Tribunal for Rwanda were a cause of particular concern to his delegation. The catalogue of mistakes and mismanagement outlined in paragraph 11 of the report would be unacceptable in any organization. Nevertheless, his delegation noted with satisfaction that senior officials of the Tribunal had been very receptive to suggestions and recommendations of the Oversight Office.

AGENDA ITEM 137: FINANCING OF THE INTERNATIONAL TRIBUNAL FOR THE PROSECUTION OF PERSONS RESPONSIBLE FOR SERIOUS VIOLATIONS OF INTERNATIONAL HUMANITARIAN LAW COMMITTED IN THE TERRITORY OF THE FORMER YUGOSLAVIA SINCE 1991 (continued) (A/51/824)

10. Mr. PASCHKE (Under-Secretary-General for Internal Oversight Services), introducing the report of the Secretary-General contained in document A/51/824, said that whereas the investigation regarding the International Criminal Tribunal for Rwanda had been prompted by allegations of irregularities, waste and mismanagement, the review of the International Tribunal for the Former Yugoslavia, had been prompted by concerns about the steep increase in the resources requested by the Tribunal for 1997. His Office had therefore decided

to focus on the Tribunal's resource requirements with a view to identifying potential for reducing the Tribunal's resource requirements and providing that information to the Secretariat and to legislative bodies in order to facilitate their decision-making on the Tribunal's budget. It was hard to understand how the review and the provision of such information could be interpreted as exceeding his Office's mandate, as a few delegations had suggested in a previous debate.

11. Whereas in its original proposal for 1997 the Tribunal had requested approximately $69 million net to fund the activities of the Chambers, the Office of the Prosecutor and the Registry, which represented a 94 per-cent increase over the 1996 budget and included provision for an additional 197 posts, the review conducted by the Oversight Office had identified at least $6 million in savings, including 39 unnecessary and duplicated posts as well as various plans for non-essential spending such as sophisticated audio-visual equipment. The Secretary-General had concurred with the recommendations of the Oversight Office and, in fact, as could be seen from the report of the Secretary-General contained in document A/C.5/51/30/Add.1, had reduced the resources requested for the Tribunal from $69 million to just under $50 million and the number of additional posts from 197 to 50.

12. Other recommendations had not yet been specifically addressed in the Secretary-General's report. For example, the Oversight Office's review had recommended that the high level of vacancies in 1996 should be considered when forecasting the staffing needs for 1997. The review had also shown that the historical financial data kept by the Registry were sometimes an unreliable basis for forecasting. In addition, the Prosecutor's Office had been unable to provide summarized data on the work-in-progress of each investigative team. To tackle that problem, the report had recommended the establishment of benchmarks for investigations. The need for less expensive arrangements for operating and staffing the field offices, particularly the one in Sarajevo, had also been reiterated.

13. While the Oversight Office supported the work and ideals of the Tribunal and was convinced that the latter needed a considerably higher level of resources to cope with the expected caseload, it none the less saw the potential to enhance the efficient utilization of resources. The Tribunal's management had been very receptive to his Office's recommendations.

AGENDA ITEM 112: REVIEW OF THE EFFICIENCY OF THE ADMINISTRATIVE AND FINANCIAL FUNCTIONING OF THE UNITED NATIONS (continued) (A/51/897)

14. Mr. PASCHKE (Under-Secretary-General for Internal Oversight Services), introducing the report of the Office of Internal Oversight Services on the audit of the United Nations Postal Administration (UNPA) contained in document A/51/897, said that, since its inception in 1950, UNPA had been a major contributor of commercial revenue to the United Nations. However, in recent years, UNPA had not been meeting its financial targets of projected revenue and profits, and during the biennium 1994-1995 it had sustained a loss of $2.2 million.

15. Although its financial situation had significantly improved towards the end of 1996, the Oversight Office was still concerned about the long-term financial success of UNPA. It had therefore recommended that more economical and efficient methods should be found to carry out the mandate of UNPA; that, in order to ensure that the strategic decisions of senior management were based on accurate information, the full cost of operating UNPA should be disclosed, including the cost of services which were currently provided by the United Nations to UNPA for free; and that the internal control systems of UNPA should be strengthened.

16. UNPA management had been cooperative during the audit and had already implemented many of the detailed recommendations contained in the audit report.

17. Mr. FARID (Saudi Arabia) said that cost sharing was of central importance in considering the role and value of UNPA. Full and adequate financial disclosure was therefore imperative, particularly with regard to the question of premises. It went without saying that all internal controls must be strictly adhered to.

The meeting rose at 10.55 a.m.